GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:4168
ANSWERED ON:22.04.2008
RESTRICTION ON EXPORT OF RICE
Singh Shri Rajiv Ranjan (Lalan);Suman Shri Ramji Lal

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has put some restrictions on the export of rice from the country recently;

(b) if so, the details thereof;

(c) whether export of rice is taking place on a large scale despite the restrictions; and

(d) the steps taken by the Government to bring down the prices of rice in the domestic market and to check export of rice from the country?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

a & b) Yes Sir.Vide DGFT Notification No.38 (RE-2007)/2004-2009 dated 15th October 2007, export of non-basmati rice was prohibited. However subsequently through another Notification No.45 (RE-2007)/2004-2009 dated 31st October 2007, export was permitted subject to a Minimum Export Price (MEP) of 425 USD/PMT FOB basis. The MEP was subsequently revised from time to time and through Notification No.89(RE-2007)/2004-2009 dated 27th March 2008, it was raised to USD 1,000/T FOB. Finally, Notification No.93(RE-2007)/2004-2009 dated 1st April 2008, banned export of non basmati rice. As far as Basmati rice export is concerned, export is permitted subject to an MEP of 1200 USD PMT FOB as stipulated under Notification No. 93 (RE-2007)/2004-2009 dated 1st April 2008.

(c) Sir, the initial ban lasted only 23 days between 9-31st October 2007 and later export was permitted subject to different levels of minimum export prices.The details of rice exports during 2007-08 are as follows:
Qty: Lakh MTs Value: Rs. Crores 2007-08(from Apr. to Dec. 07) Qty. Value

Basmati Rice 7.4321 2408.17

Non-Basmati Rice 40.3615 4694.48

(@Rs.40=1USD) Provisional subject to change

d) The Government,in order to bring down the prices of rice in the domestic market and to check export of rice,has prohibited the exports of non-basmati rice and the export of basmati rice is permitted only if the minimum export price is US $ 1200 per ton or Rs.48,000 per ton.Further for monitoring the exports Govt. has introduced the system of registration of contracts of rice with Agricultural and Processed Food Products Export Development Authority (APEDA).The Government has also withdrawn DEPB benefit on rice exports.